(b) Majority of the applications pending consideration have been received during the calendar years 1990 and 1991. The Licensing Policy for sugar industry has recently been reviewed by Government and now all pending applications would be considered as per the Licensing Policy guidelines already announced vide Press Note dated 8-11-1991.

Sick sugar units in the country

555. SHRI SATISH PRADHAN: Will the Minister of FOOD be pleased to state:

(a) what are the numbers and the names of chronically sick sugar units in the country with accumulated losses State-wise and for Maharashtra in particular;

(b) what are the reasons for their sickness;

(c) the details of the schemes formulated to revive these sick units;

(d) what are the details of assistance rendered to each of the sick unit for revival/rehabilitation during the past 5 years and the results thereof; and

(e) what is the policy of the Government for chronic sickness of these units?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): (a) Under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, companies which become sick have to be referred to the Board for Industrial and Financial Reconstruction (BIFR). These provisions have been extended to cover Government companies also. BIFR has intimated that as on 31.01.1993, there were 13 such cases. A statement showing the State-wise list of sick sugar units and their accumulated losses, as furnished by BFIR, is enclosed (*See below*). in Maharashtra, there was one such sick unit.

(b) Sickness could be due to a variety of factors, such as inadequate cane availability, size, age and condition of plant and machinery, technical and managerial competence, excessively high cane price not commensurate with sales realisations and various other factors.

(c) and (d) Sugar mills have themselves to prepare schemes for rehabilitation|modernisation and got them approved by the financial institutions. Financial assistance is also available from the Sugar Development Fund (SDF) at concessional rates of interest for such rehabilitation|modernisation schemes, subject to fulfilment of the conditions laid down. The details of SDF loans sanctioned to sick sugar units for modernisation| rehabilitation are given in Statement II. **(*See* below).**

(e) The sugar policy is framed by the Government with a view to improve the financial viability of sugar factories.

Statement I

Units and Their Accumulated Losses As on 31-01-1993

Sl. No.	Case No /Company	Accumulated Losses (Rs. Lakh)
	Andhra Pradesh	
1	3/87, Challapalli Sugar, KCP Ltd., Laxmipuram, Distt Krishna . . .	942.78
2	233/87, Kirlampudi Sugar Mills, P.O. Pithapuram, East Godavari . . .	229.24

1	2	3
	Bihar	
3	81/87, Champaran Sugar Ltd., Barachakia, East Champaran.	941.00
	Karnataka	
4	101/87, Devnagare Sugar Co., Kukkavada Tq., Chitradurga Distt.	758.27
5	127/88, Salarjung Sugar Mills, P.O. Munirabad, Raichur	269.58
6	221/88, Gangavati Sugar Ltd., P.O. Pragatinagar, Gangavati, Raichur . .	2206.68
	Madhya Pradesh	
7	100/88, Jiwaji Rao Sugar Co. Ltd., P.O. Dalauda, Mand Sugar . . .	600.00
	Maharashtra	
8	181/87, Godavari Sugar Mills Ltd , Shakkarwadi P.O.	732.75
	Punjab	
9	90/88, Bhagwanpura Sugar Mills Ltd., P.O. Dhuri, Sangrur	411.11
	Uttar Pradesh	
10	98/89, Lakshmi Sugar Mills, Distt Moradabad	455.72
11	99/92, Cawnpore Sugar Works Ltd. Gauribazar, Deoria	1819.67
	West Bengal	
12	185/88, Ramnuger Cane (KHITAN AGRO COMPLEX) Plassey P.O., Nadia .	118.79
	Rajasthan	
13	122/87, Mewar Sugar, P.O. Bhupalsagar, Chittorgarh	283.86

Statement II

Details of SDF Loans Sanctioned to sick Sugar Units for Modernisation/Rehabilitation

Sl/ No.	Name of the sugar unit	Amount Sanctioned (Rs. lakh) Date of sanction
1	M/s Challapalli Sugar KCP Ltd , Laxmipuram, Disstt. Krishna . . .	860.00
		10-10-1991
2	M/s Bhagwanpura Sugar Mills Ltd., Dhuri, Punjab . . .	88.00
		9-11-1987
3	M/s Lakshmi Sugar Mills Ltd , Distt. Moradabad	633.60*

*Formal sanction is to be issued